

## Remarks

The present response is to the Office Action mailed in the above-referenced case on September 06, 2006 made final. Claims 1-38 are standing for examination. The Examiner rejects claims 1-6, 8, 10-19, 22, 25, and 27-38 under 35 U.S.C. 102(b) as being anticipated by U.S. Pat. No 5,868,400 Carter III, hereinafter Carter. Claims 7, 9, 20, 21, 23, 24 and 26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Carter.

In response to the rejections and comments provided by the Examiner, applicant herein amends the claims to particularly point out the subject matter considered patentable over the art by applicant. Applicant provides arguments to particularly point out the subject matter in the claims, as amended, deemed patentable by applicant over the art of Carter provided by the Examiner.

Claims 1, 16, 25 and 32 are herein amended to particularly point out that the rules associated with pricing models are actually part of the models. Applicant specifically teaches and claims Model 200 uses pricing rules illustrated herein as rules 202 in order to resolve pricing requests. Pricing rules apply to general and specific combinations of products/services, customers, and channels. Pricing rules are created and are stored in a rules base that is part of the pricing model that is accessed by the pricing server component described with reference to Fig. 1 above. One or more pricing models 200 and associated rules are, in a preferred embodiment, stored in an object-relational, or other object-supported database (pg. 16, line 25 to pg. 17, line 4).

Fig. 2 in applicant's disclosure is a block diagram illustrating a pricing model 200. Pricing model 200 is a data model that follows a model framework illustrated herein as model framework 201 (enclosed by dotted rectangle) and is executable according to specific rules that are related to specific pricing scenarios. Model 200 can import pricing attributes and rules from existing enterprise models and can be updated and configured

using newly defined attributes and information. Model framework 201 of model 200 includes a product hierarchy structure and a sales hierarchy structure illustrated herein by appropriately labeled blocks (pg. 15, lines 4-12).

Applicant argues that the pricing system of Carter fails to teach pricing models containing pricing rules, as claimed in applicant's independent claims. The system of Carter organizes various pricing tables and price adjustment tables for various products and purchasing entities based on which purchasing entity is purchasing which specific product. The invention utilizes de-normalized numbers in tables to relate the requesting purchaser to the product desired. The different types of purchasers and the various types of products offered are organized into hierarchical groups represented by data tables. Working by individual hierarchical levels, of which there may be many, specific price adjustments can be specified for each created level of the organizational groups and for each created level of the product groups.

The system of Carter determines final pricing for a purchasing entity and product desired by retrieving the listed price adjustments for that particular purchasing entity as well as all of the listed price adjustments for the listed groups above the particular purchasing entity in the group's hierarchy. Likewise, the price adjustments for a particular listed product are determined by retrieving the price adjustments for that listed particular product as well as the price adjustments for all of the product groups listed above the particular product in the product-group hierarchy.

The system of Carter then must sort through all of the retrieved pricing information to isolate the particular pricing adjustments that fit the selected purchaser and product. The final pricing adjustments aggregated are then applied in the form of a pricing sequence to arrive at a final price at which a particular product can be sold to a particular purchasing entity.

The system of Carter requires much processing in order to drill down the hierarchal price-adjustment structure until the pricing adjustments that match the given scenario are finally identified and isolated to use in calculating the final pricing. An enterprise with a large number of different products, client types, and pricing strategies would find the system of Carter quite process-intensive. Furthermore, the system of Carter fails to provide a solution for creative pricing strategies such as tiered pricing, product or service bundling, or other creative pricing structures.

At least one advantage the present invention has over prior-art systems such as the system of Carter is that when calculating pricing, only the rules for the specific factors in a sequence are navigated to determine specificity in pricing rather than the adjustments for all of the entire product and sales hierarchies above the specified product and customer indicated in an order for pricing. Only the rules specific to pricing request attributes are applied in calculation. Applicant accomplishes this by storing pricing models containing associated rules for the models in the database for retrieval in response to a pricing request.

Applicant's invention provides a marked improvement in the art by utilizing stored pricing models accessible in a database. Using the models as claimed provides a more-flexible pricing engine that can produce complex pricing information faster using less computational resources and storage space than prior-art pricing systems. With the advent of object orientation, including model representation of real data, far more complex pricing strategies for varied clients can be applied in a much less process-intensive manner than in the prior-art systems of Carter.

Applicant therefore believes that the independent claims, 1, 16, 25 and 32, as amended, clearly and unarguably distinguish over the invention of Carter as argued above by applicant. Depending claims 2-15, 17-24, 26-31 and 33-38, are then patentable on their own merits, or at least as depended from a patentable claim.

As all of the claims standing for examination are now patentable as amended and argued by applicant over the art of record, applicant respectfully requests that the present case be passed quickly to issue. If there are any time extensions needed beyond any extension specifically requested with this amendment, such extension of time is hereby requested. If there are any fees due beyond any fees paid with this amendment, authorization is given to deduct such fees from deposit account 50-0534.

Respectfully Submitted,  
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